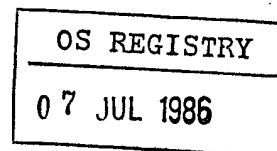




2 July 1986
OCA: 86-1936



MEMORANDUM FOR: The Director

FROM: Dave Gri [redacted]

SUBJECT: Senate Rejects Our Staffing-Level Amendment
to the Diplomatic Security Act

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Our Weekly Report of 27 June informed you that the Senate had passed the Diplomatic Security Act with language limiting the Secretary of State's authority to "coordination of staffing levels" abroad, rather than giving him authority for "establishment of staffing levels" abroad. The latter is the language of the House bill.

We wrote that in good faith having been informed by the staff of the Senate Foreign Relations Committee after passage of the Senate bill that the change from "establish" to a "coordination" had been made. On reading the Congressional Record, we discovered to our dismay that the change had not been made. Accordingly, the Senate bill currently gives the Secretary of State authority for "establishment of staffing levels." There are many explanations of why staff misinformed us, but the most likely is that State, in defiance of OMB and your own assurance from Secretary Shultz, blocked our amendment at the last moment. We have learned unofficially that Shultz approved these tactics.

The Conference Committee on this bill will convene in mid-July. There are a number of steps which must be taken to preserve our interests:

-Ask Jim Miller to: 1) indicate to Chairmen Fascell and Lugar that the Administration favors "coordination" rather than "establishment"; and, 2) give OMB clearance to a letter to that effect from you to the conferees on the bill. We'll provide you the appropriate letters next week.

-Bring Poindexter up to speed on our problems and inquire whether or not he'd be willing to raise them personally with Shultz.

-Make every effort to get Intelligence Committee cross-over Members assigned to the Conference Committee. We can take the action on this.

-After conferees have been chosen in mid-July, meet with or telephone key players. We will provide recommendations in due course.

Meanwhile, there is another potential solution to our problem which might be easier to achieve. The House bill contains a section which preserves your existing authorities regardless of any other provisions of the Diplomatic Security Act. Although the House language was modified in the Senate bill, we will now seek to have it reinstated in Conference. Thus, if we lose the battle of coordination versus establishment, we may win the war if the Conference bill uses House language about your existing authorities. If necessary, we will use the letters and calls enumerated above to this end.

As a last ditch effort, if all else fails, we can ask for the Intelligence Committees to insert language in the Intelligence Authorization bill that would permit you to retain current flexibility regarding staffing levels abroad.

cc: DDCI
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